

TEACHERS' FUND FOR RETIREMENT
A Division of ND Retirement and Investment Office
Balance Sheet
As of 9/30/2003

10/31/2003

	As of <u>9-30-03</u>	As of <u>6-30-03</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 490,294,381	\$ 475,417,195
INTERNATIONAL EQUITIES	318,098,650	293,812,409
DOMESTIC FIXED INCOME	159,281,152	150,491,883
INTERNATIONAL FIXED INCOME	55,648,601	52,857,523
REAL ESTATE	108,567,331	109,451,910
VENTURE CAPITAL	51,471,801	52,189,986
INVESTED CASH (NOTE 1)	<u>15,343,932</u>	<u>23,855,378</u>
TOTAL INVESTMENTS	1,198,705,848	1,158,076,284
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	4,726,192	4,588,915
CONTRIBUTIONS RECEIVABLE	4,965,724	6,260,471
MISCELLANEOUS RECEIVABLE	<u>0</u>	<u>41,698</u>
TOTAL RECEIVABLES	9,691,916	10,891,084
OTHER ASSETS		
OPERATING CASH (NOTE 2)	7,285,992	7,388,155
DUE FROM OTHER AGENCIES (NOTE 3)	<u>33,325</u>	<u>0</u>
TOTAL ASSETS	<u>\$ 1,215,717,081</u>	<u>\$ 1,176,355,523</u>
LIABILITIES:		
ACCOUNTS PAYABLE	824,066	824,172
ACCRUED EXPENSES	248,616	244,481
DUE TO OTHER AGENCIES (NOTE 4)	<u>0</u>	<u>38,392</u>
TOTAL LIABILITIES	1,072,682	1,107,045
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	1,175,248,478	1,165,369,565
CASH IN DURING YEAR (NOTE 5)	27,765,000	120,855,000
CASH OUT DURING YEAR (NOTE 6)	31,554,319	120,855,000
NET INCREASE (DECREASE)	<u>43,185,240</u>	<u>9,878,913</u>
NET ASSETS AVAILABLE END OF PERIOD	<u>1,214,644,399</u>	<u>1,175,248,478</u>
TOTAL LIABILITIES & NET ASSETS AVAILABLE	<u>\$ 1,215,717,081</u>	<u>\$ 1,176,355,523</u>

TEACHERS' FUND FOR RETIREMENT
A Division of ND Retirement and Investment Office
Profit and Loss Statement
For the Month Ended 9/30/2003

10/31/2003

	Month Ended <u>9-30-03</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 2,362,351	\$ 8,868,551
SECURITIES LENDING INCOME	50,954	168,535
	<u>2,413,305</u>	<u>9,037,086</u>
GAIN ON SALE OF INVESTMENTS	12,468,002	41,077,784
LOSS ON SALE OF INVESTMENTS	<u>17,028,167</u>	<u>34,380,491</u>
NET GAINS (LOSSES) INVESTMENTS	(4,560,165)	6,697,293
INVESTMENT EXPENSES	2,355	995,892
SECURITIES LENDING EXPENSES	35,123	107,120
SIB ADMINISTRATIVE EXPENSES	<u>12,497</u>	<u>29,655</u>
NET INVESTMENT INCOME	(2,196,835)	14,601,712
NET APPREC (DEPREC) MARKET VALUE	8,129,254	39,493,580
MISCELLANEOUS INCOME/(EXPENSE)	<u>(498)</u>	<u>112,731</u>
TOTAL INVESTMENT INCOME	5,931,921	54,208,023
CONTRIBUTIONS & ASSESSMENTS (NOTE 7)	5,719,279	7,313,440
PURCHASED SERVICE CREDIT (NOTE 8)	464,283	1,645,204
PENALTY & INTEREST (NOTE 9)	<u>10</u>	<u>256</u>
TOTAL ADDITIONS	<u>12,115,493</u>	<u>63,166,923</u>
DEDUCTIONS:		
BENEFITS PAID PARTICIPANTS (NOTE 10)	6,417,853	19,181,767
REFUNDS TO MEMBER (NOTE 11)	<u>242,050</u>	<u>543,914</u>
TOTAL BENEFITS PAID	6,659,903	19,725,681
ADMINISTRATIVE EXPENSES		
RIO ADMINISTRATIVE CHARGE	100,223	256,002
MISCELLANEOUS EXPENSES	0	0
TOTAL ADMINISTRATIVE EXPENSES	<u>100,223</u>	<u>256,002</u>
TOTAL DEDUCTIONS	<u>6,760,126</u>	<u>19,981,683</u>
NET INCREASE (DECREASE)	<u>\$ 5,355,367</u>	<u>\$ 43,185,240</u>

TEACHERS' FUND FOR RETIREMENT
Notes To Financial Statements
September 30, 2003

10/31/2003

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 INVESTED CASH

Pension Cash Pool invested in the short-term investment fund (STIF/STEP) at The Northern Trust Company.

NOTE 2 OPERATING CASH

TFFR money market and checking accounts at the Bank of North Dakota.

NOTE 3 DUE FROM OTHER AGENCIES

Amounts paid in anticipation of the allocation of administrative expenses of RIO.

NOTE 4 DUE TO OTHER AGENCIES

Amounts owed to RIO for administrative and direct costs charged.

NOTE 5 CASH IN DURING YEAR

Cash transferred into investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 6 CASH OUT DURING YEAR

Cash transferred out of investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 7 CONTRIBUTIONS & ASSESSMENTS

Assessments on teachers' salaries of 7.75 percent of salary plus a matching contribution paid by the employer unit, for a total contribution and assessment of 15.5 percent that must be remitted monthly.

NOTE 8 PURCHASED SERVICE CREDIT

Payments received on the purchase of service credit for TFFR as allowed by the North Dakota Century Code.

TEACHERS' FUND FOR RETIREMENT
Notes to Financial Statements
9/30/2003

10/31/2003

NOTE 9 PENALTY & INTEREST

Amounts charged to school districts for late payment or reporting of contributions and assessments.

NOTE 10 BENEFITS PAID TO PARTICIPANTS

Monthly annuity benefits paid to retired teachers on the first of each month.

NOTE 11 REFUND TO MEMBERS

Refunds of teachers' accounts who have ceased teaching in North Dakota.